
STATUTORY INSTRUMENTS

2001 No. 544

**The Financial Services and Markets Act
2000 (Regulated Activities) Order 2001**

PART II

SPECIFIED ACTIVITIES

[^{F1}CHAPTER 14B

REGULATED CONSUMER HIRE AGREEMENTS

[^{F1}The activities

Textual Amendments

- F1** Pt. II Ch. 14A, 14B inserted (26.7.2013 for specified purposes, 1.4.2014 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6), 6

Regulated consumer hire agreements

60N.—(1) Entering into a regulated consumer hire agreement as owner is a specified kind of activity.

(2) It is a specified kind of activity for the owner or another person to exercise, or to have the right to exercise, the owner’s rights and duties under a regulated consumer hire agreement.

(3) In this Chapter—

“consumer hire agreement” means an agreement between a person (“the owner”) and an individual or relevant recipient of credit (“the hirer”) for the bailment or, in Scotland, the hiring, of goods to the hirer which—

- (a) is not a hire-purchase agreement, and
- (b) is capable of subsisting for more than three months;

“exempt agreement” means a consumer hire agreement which is an exempt agreement under articles 60O to 60Q;

“owner” means—

- (a) the person who bails or, in Scotland, hires, goods under a ^{F2}... consumer hire agreement, or
- (b) a person who exercises or has the right to exercise the rights and duties of a person who bailed or, in Scotland, hired, goods under such an agreement;

[^{F3}“regulated consumer hire agreement” means—

Status: Point in time view as at 21/03/2016.

Changes to legislation: The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, Cross Heading: The activities is up to date with all changes known to be in force on or before 19 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) in the case of an agreement entered into on or after 1st April 2014, any consumer hire agreement which is not an exempt agreement; or
- (b) in the case of an agreement entered into before 1st April 2014, a consumer hire agreement which—
 - (i) was a regulated agreement within the meaning of section 189(1) of the Consumer Credit Act 1974 when the agreement was entered into; or
 - (ii) became such a regulated agreement after being varied or supplemented by another agreement before 1st April 2014.]

Textual Amendments

- F2** Word in art. 60N(3) omitted (14.2.2014 for specified purposes, 1.4.2014 in so far as not already in force) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2014 \(S.I. 2014/366\)](#), art. 1(3)(4), **2(34)**
- F3** Words in art. 60N(3) substituted (17.3.2016 for specified purposes, 20.3.2016 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) Order 2016 \(S.I. 2016/392\)](#), art. 1(2)(3)(b), **2(17)** (with Pt. 5)

Exempt agreements: exemptions relating to nature of agreement

- 60O.**—(1) An agreement is an exempt agreement for the purposes of this Chapter if—
- (a) the hirer is required by the agreement to make payments exceeding £25,000, and
 - (b) the agreement is entered into by the hirer wholly or predominantly for the purposes of a business carried on, or intended to be carried on, by the hirer.
- (2) For the purposes of paragraph (1), if an agreement includes a declaration which—
- (a) is made by the hirer,
 - (b) provides that the agreement is entered into by the hirer wholly or predominantly for the purposes of a business carried on, or intended to be carried on, by the hirer, and
 - (c) complies with rules made by the FCA for the purposes of this article,

the agreement is to be presumed to have been entered into by the hirer wholly or predominantly for the purpose in sub-paragraph (b) unless paragraph (3) applies.

- (3) This paragraph applies if, when the agreement is entered into—
- (a) the owner (or, if there is more than one owner, any of the owners), or
 - (b) any person who has acted on behalf of the owner (or, if there is more than one owner, any of the owners), in connection with the entering into of the agreement,

knows or has reasonable cause to suspect that the agreement is not entered into by the hirer wholly or predominantly for the purposes of a business carried on, or intended to be carried on, by the hirer.

(4) For the purposes of this article, where credit is provided otherwise than in sterling, it is to be treated as provided in sterling of an equivalent amount.

Exempt agreements: exemptions relating to supply of essential services

- 60P.** An agreement is an exempt agreement for the purposes of this Chapter if—
- (a) the owner is a body corporate which is authorised by or under an enactment to supply gas, electricity or water, and

- (b) the subject of the agreement is a meter or metering equipment which is used (or is to be used) in connection with the supply of gas, electricity or water.

Exempt agreements: exemptions relating to the nature of the hirer

60Q. An agreement is an exempt agreement for the purposes of this Chapter if—

- (a) the hirer is an individual,
- (b) the agreement includes a declaration made by the hirer which provides that the hirer agrees to forgo the protection and remedies that would be available to the hirer if the agreement were a regulated consumer hire agreement and which complies with rules made by the FCA for the purposes of this paragraph,
- (c) a statement has been made in relation to the income or assets of the hirer which complies with rules made by the FCA for the purposes of this paragraph,
- (d) the connection between the statement and the agreement complies with any rules made by the FCA for the purposes of this paragraph (including as to the period of time between the making of the statement and the agreement being entered into), and
- (e) a copy of the statement was provided to the owner before the agreement was entered into.]

Status:

Point in time view as at 21/03/2016.

Changes to legislation:

The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, Cross Heading:

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